



Committed to the future of rural communities.

United States Department of Agriculture
Rural Development

TO: Participating GRH Lenders

FROM: Iowa's USDA, Rural Development Single Family Guaranteed Rural Housing Program (GRH) – April 2006

**** PLEASE DISTRIBUTE TO ALL WHO UTILIZE THE GRH PROGRAM ****

NEW NEWS

THANK YOU to everyone who attended our *very successful* IFA-RD Training via ICN in March. We plan to hold another in June for Home Ownership Month.

IFA has released their new income limits effective March 20, 2006. They may be found at www.ifahome.com. Please note that these differ from USDA, Rural Development income limits.

USDA, Rural Development **income limits** are expected to be updated the first week of April. We'll let you know as soon as they are available!

The **Iowa GRH Webpage** has **CHANGED**. Please update your bookmark to <http://www.rurdev.usda.gov/ia/rhsquar.html>. We hope you'll find it better than ever!

Iowa GRH Handbook Updates:

- ☒ Table of Contents
- ☒ Page 1, Clarify that households eligible for conventional financing or any other type of government guarantee loan are not eligible for GRH
Clarify that other down payment and closing cost assistance programs may be used with GRH.
- ☒ Page 2, Clarify credit requirements
- ☒ Pages 3 & 4, Removed requirement by RD for termite inspection. Decision to test is with the approved lender
Removed requirement for water to meet health department requirements - *Testing is still needed in non-monitored systems (wells)* - Decision for action is with the approved lender.
Removed requirement for septic inspection by certified tank cleaner
Added information regarding inspection options
Added ability to loan for existing properties in flood plains with flood insurance
Clarify that guarantees for new construction will not be issued in flood plains
- ☒ Page 6, New Warranty Company Added
- ☒ Exhibit E
- ☒ Exhibit H

NEW POLICIES regarding the following were effective *last month*. Please see the last newsletter at http://www.rurdev.usda.gov/ia/rhsquar_Newsletters.html!!!



Termite Inspections



Well Water Testing



Septic Inspections



100-Year **Flood Areas**

June is **Home Ownership Month**. We are eager to assist with any Home Ownership promotions or ideas. Let us know! We will be offering more educational opportunities across the state too.

PROCESSING



All forms may be found online at <http://www.rurdev.usda.gov/regs/formstoc.html>



PLEASE USE [Form RD 1980-86, Request for Reservation](#), **new version 12-05**



There is **AN ABUNDANCE OF MONEY AVAILABLE!!!**

Iowa staff remains committed to providing *excellent* service with a **24 hour turnaround** of complete application packages.

NEW ADMINISTRATIVE NOTICES (ANs)

ANs for the last 12 months may be found at http://www.rurdev.usda.gov/regs/an_list.html.

AN 4145 – SFHGLP Existing Dwelling Inspection Requirements

The purpose of this AN is to elaborate upon the form of dwelling inspections acceptable for GRH loans. This AN restates that appraisals prepared by FHA roster appraisers in accordance with HUD Handbooks 4150.2 and 4905.1 meet the inspection requirements of RD Instruction 1980-D, Section 1980.341(b)(1)(i). *This AN replaces RD AN No. 4114 (1980-D) dated October 21, 2005.*

AN 4149 - Eligibility of Non-U.S. Citizens for SFHGLP Assistance

This AN is intended to furnish guidance concerning what documentation U.S. non-citizens must supply in order to be considered for a loan note guarantee under the SFHGLP. *This AN replaces RD AN No. 4042 which was dated January 18, 2005.*

AN 4150 – SFHGLP Foreclosure Sale Bids

This AN provides guidance on foreclosure sale bids for security property on which there is a Single Family Guaranteed Rural Housing (SF-GRH) loan guarantee. *This AN replaces RD AN No. 4062, dated March 14, 2005.*

UPCOMING EVENTS

April 6, 2006

Iowa Mortgage Association (IMA) Spring Conference – See you there!
<http://www.iowama.org>, Cedar Rapids

June 2006

Home Ownership Month, Across the Nation
Watch for more educational opportunities across the state!

April 27, 2006

Iowa Home Ownership Education Project (IHOEP) Spring Conference – See you there!
<http://www.ihoe.com/>, Iowa City



USEFUL INFO

Iowa GRH Handbook & Newsletters <http://www.rurdev.usda.gov/ia/rhsguar.html>
Property & Income Eligibility <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
RD Properties for Sale <http://www.resales.usda.gov/>
USDA, Rural Development <http://www.rurdev.usda.gov/>



USDA, Rural Development offices will be **closed** on Monday, May 29, 2006 – Memorial Day

Iowa State Office Single Family Housing Staff

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Lender Assignments to **RD offices** are based upon the location of the customer's main office. Iowa RD offices may be found at http://www.rurdev.usda.gov/ia/la_locations.html (click on the address or type it into your browser).

To request changes to our email list such as removals or additions, please e-mail heather.honkomp@ia.usda.gov with your request. Be sure to include contact name, business name, location, phone number, and email address. We appreciate your assistance with the maintenance of our email list.

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Complaints of discrimination should be sent to: USDA, Director, OCR, Washington, D.C. 20250-9410